

South Dakota DENR FY 14 Midyear

HOT TOPICS

April 24, 2014

Topic: Proposed Underground Injection Control (UIC) Actions at Powertech (USA) Inc.'s Dewey Burdock Uranium In-Situ Recovery (ISR) Site

Key Points:

- We want to update you on the status of EPA's proposed UIC actions for this important and high visibility project to ensure continued close coordination with the DENR.
- The EPA's role is to permit injection wells at this site northwest of Edgemont, South Dakota and to make an aquifer exemption decision.
- The decision to issue a UIC Class III/V permits for uranium ISR would be EPA's first nationwide.
- The EPA has not set a date for issuance of the draft UIC permit decisions. However, a 60 day public comment period and two public hearings are planned in Edgemont and Hot Springs

Background:

- The EPA Region 8 UIC program is preparing to issue two draft permits for Powertech's Dewey-Burdock uranium ISR site near Edgemont, South Dakota:
 - 1) a Class III draft permit decision for injection wells related to uranium recovery and
 - 2) a Class V draft permit decision authorizing deep injection wells to dispose of treated ISR process waste fluids.
- Because South Dakota prohibits Class I injection wells, the deep disposal wells will be Class V for which injected fluids must be treated to meet radioactive waste standards as specified under NRC regulations. The injectate cannot contain any hazardous constituents.
- In addition to the draft UIC permit decisions, the Region 8 UIC program is evaluating Powertech's Class III aquifer exemption request that would enable injection into the Inyan Kara Group aquifers which host the uranium ore deposits.
- For EPA to issue an aquifer exemption for the Class III well field areas, it must be shown that the applicable aquifer does not currently serve as a source of drinking water, and that it cannot now and will not in the future serve as a source of drinking water because it contains commercially producible uranium ore.
- The EPA is currently engaged in tribal consultation activities under Section 106 of the National Historic Preservations Act and under the EPA general Tribal Consultation Policy.
- The EPA is also in consultation with the US Fish and Wildlife Service as required under the Endangered Species Act.
- The NRC issued an operating license to Powertech for this project in early April 2014 after review of an application submitted in August 2009.
- The NRC license and the DENR large scale mine permit will regulate the whole site including operation, aquifer restoration, and site closure.
- The DENR's governing boards have suspended final decision making on its large scale mine, groundwater discharge and water rights permits until EPA makes its final decisions on issuance of its UIC permits and associated aquifer exemption.

[PAGE

*

MERGEF

ORMAT]

CONFIDENTIAL-Internal Use Only: MAY CONTAIN DELIBERATIVE, ENFORCEMENT, AND ATTORNEY WORK
PRODUCT/ATTORNEY CLIENT COMMUNICATIONS/PRIVILEGED/FOIA EXEMPT.

ED_005364K_00012554-00001

South Dakota DENR FY 14 Midyear

HOT TOPICS

April 24, 2014

Contact: Douglas Minter, 303-312-6079

[PAGE
 *
MERGE
FORMAT]

CONFIDENTIAL-Internal Use Only: MAY CONTAIN DELIBERATIVE, ENFORCEMENT, AND ATTORNEY WORK
PRODUCT/ATTORNEY CLIENT COMMUNICATIONS/PRIVILEGED/FOIA EXEMPT.

ED_005364K_00012554-00002